REMARKS

This communication responds to the Office Action mailed July 9, 2008. Claims 1-2 were pending and remain so. Applicant thanks the Examiner for the courtesy extended in discussing the present application with Applicant's representatives by telephone on October 30, 2008.

INFORMATION DISCLOSURE STATEMENT

The Examiner stated that reference #7 in the Information Disclosure statement reviewed on July 6, 2008 was not considered because the Examiner only found 51 physical pages in the record for reference #7, while the listing in the IDS referred to pages 3-101. Applicant respectfully submits that the listing in the IDS and the pages provided for the reference are correct. The copy of the reference contains 2 copied pages per physical sheet, and page numbers ranging from 3-101 are indicated on each page. The Applicant requests that the Examiner consider reference #7 and to indicate consideration of that reference with the next action.

NON-STATUTORY PROVISIONAL DOUBLE PATENTING

The Examiner provisionally rejected claims 1-2 on the ground of non-statutory double patenting over claim 1 of U.S. Patent Application No. 10/627,873. Applicant is filing a terminal disclaimer concurrently herewith which renders the rejection moot.

CLAIMS 1 AND 2 ARE PATENTABLE UNDER 35 U.S.C. § 101

The Examiner rejected claims 1 and 2 under 35 U.S.C. § 101 as being directed to non-statutory subject matter. To advance prosecution, Applicant has amended claims 1 and 2 to further clarify that the claimed invention is a computer implemented method that is carried out

using a computer. The Examiner stated that the claims do not explicitly require a computer (see Office Action at page 3). However, Applicant notes that the preamble of independent claim 1 recites a "*computer implemented method* for creating a portfolio of investments" and that each element of the claim explicitly recites activity by a computer. This is a computer-implemented method which does explicitly require activity by the computer. In the decision *In re Bilski*, No. 2007-1130 (Fed. Cir. Oct. 30, 2008), the Federal Circuit held that a process satisfies § 101 if it is tied to a particular machine or apparatus. Here, the claimed method is tied to a computer and, thus, meets the requirements for patentable subject matter under § 101.

In addition, claim 2 is dependent upon claim 1 and includes all of the limitations of claim 1. Thus, claim 2 includes the computer activity of claim 1 and is likewise patentable under § 101.

Accordingly, for at least these reasons, Applicant respectfully submits that the claims at issue satisfy 35 U.S.C. § 101, and reconsideration and withdrawal of this rejection is therefore respectfully requested.

CLAIMS 1-2 ARE PATENTABLE OVER MAGGIONCALDA ET AL. AND EITHER CASE LAW OR YOUNG ET AL.

The Examiner rejected claims 1-2 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,918,217 to Maggioncalda et al. [hereinafter "Maggioncalda et al."] in view of either case law or U.S. Patent No. 6,393,409 to Young et al. [hereinafter "Young et al."]. The Examiner contends Maggioncalda et al. discloses all of the elements of claim 1 except for the *transmitting* step. The Examiner then contends that it would be the next logical step to perform the above mentioned step of transmitting, and therefore the claims are obvious given the state of

the case law on this point. Alternatively, the Examiner cites Young et al. as teaching that it was "well known in the financial art to utilize computers to perform execution of trades." The Examiner then contends it would be obvious to modify Maggioncalda et al. with the teachings of Young et al. "to use the computer to effect the trades to balance a portfolio based upon a users [sic] risk preference for the benefit of minimizing transposition errors, ease of use, etc. as such is no more in the use of automation to replace actions previously performed by hand." The Applicant traverses this rejection and respectfully disagrees with the Examiner's characterization of these references vis-à-vis claims 1-2.

Neither Maggioncalda et al. nor Young et al. teach transmitting a *portfolio trading order* by a computer. Prior to the present invention by former SEC Commissioner Steven M.H. Wallman, trades to implement a desired portfolio, such as that created by Maggioncalda et al., were implemented one by one in a manner that prevented small amounts of money from being used to purchase entire portfolios of securities. Therefore, the next logical step after Maggioncalda et al. would be to submit multiple trading orders, one for each security included in the portfolio of Maggioncalda et al. Simply put, the idea of trading entire portfolios like individual securities did not exist at the time of Maggioncalda et al. Therefore, the Applicant respectfully submits that claims 1-2 are patentable over Maggioncalda et al. in view of case law.

Moreover, Young et al. fails to disclose transmitting a portfolio trading order as recited in the claims at issue. Therefore, the combination of Maggioncalda et al. and Young et al. fail to result in the claimed invention. Consequently, the Applicant respectfully submits that claims 1-2 are patentable over Maggioncalda et al. in view of Young et al. The Applicant respectfully requests reconsideration and withdrawal of the rejection of claims 1-2.

CONCLUSION

Reconsideration and withdrawal of all of the rejections are requested in view of the previous remarks. The Applicants respectfully submit this Application is in condition for allowance and request issuance of a Notice of Allowance.

If additional amounts are due for any reason it is respectfully requested that the PTO charge any deficiency or credit any overpayment to the deposit account of KENYON & KENYON LLP, Deposit Account No. 11-0600.

In the event the prosecution of this application can be efficiently advanced by a phone discussion, it is requested that the undersigned attorney be called at (202) 220-4200.

Respectfully submitted,

KENYON & KENYON LLP

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